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RUEHLO/AMEMBASSY LONDON PRIORITY 5672
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1899
RUEHCI/AMCONSUL KOLKATA PRIORITY 3796
RUEHGV/USMISSION GENEVA PRIORITY 1855
RUEKJCS/SECDEF WASHDC PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2937
RHEFDIA/DIA WASHDC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 001783

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TAGS: [PREL](#) [PGOV](#) [PHUM](#) [PTER](#) [KDEM](#) [EAID](#) [NP](#)
SUBJECT: NEPAL CA ELECTION UPDATE: 58 DAYS TO GO

REF: A. KATHMANDU 1750

[1](#)B. KATHMANDU 1755

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Classified By: Ambassador Nancy J. Powell. Reasons 1.4 (b/d).

Summary

[1](#)1. (C) Declaring Nepal a republic before the Constituent Assembly election and switching from the previously agreed upon mixed electoral system to a purely proportional electoral system for the Constituent Assembly (CA) election featured prominently in Maoist pronouncements during the week of September 17-24. Although the four remaining Maoist ministers submitted their resignation to the Prime Minister on September 18, the party remains in the Interim Parliament and continues to give mixed signals about participating in the CA election. Security in the eastern Terai, which has not been good for some time, took a serious turn for the worse this past week. Some campaign activity is beginning to take place in Kathmandu and selected other cities. The Election Commission has put the Code of Conduct into effect for government officials and offices, and it will be phased in over the coming two weeks for political parties, candidates, and the media. Progress has been made in resolving logistical issues and training officials and voters. End Summary

Electoral System Issues

[1](#)2. (C) The IFES representative informed post September 21 he believes that switching from the currently agreed upon mixed electoral system, which entails simultaneous first-past-the-post and proportional elections, to a single purely proportional election as demanded by the Maoists is operationally feasible, but politically problematic. Making such a change would require a constitutional amendment as well as numerous legal and political compromises on quotas and other issues that would be difficult to reach quickly. As the Maoists have come to realize their support is not concentrated enough to win more than a handful, if any, seats

under the first-past-the-post system, their attachment to proportional representation has strengthened. They are trying in this way also to garner support from Terai-based groups making similar demands.

Maoists-Not Completely Out,--Yet

13. (C) After the Maoist-imposed deadline for the other seven parties in the Eight-Party Alliance to accept the Maoist preconditions for the CA election passed without their demands being met, the four remaining Maoist ministers submitted their resignation to Prime Minister Koirala on September 18. (reftels) Comments at a Maoist public rally in Kathmandu held immediately after the resignations were generally dismissive of the government of Nepal's (GON's) ability to hold a "meaningful" CA election without the Maoist's demands having been met. However, in subsequent days the Maoist leaders have reiterated their commitment to participating in the peace process and have confirmed they remain part of the Eight-Party Alliance. Maoist members have not quit the Interim Parliament, and are currently attempting to use their strength in the Interim Parliament to force it back into session to declare Nepal a republic and present a no-confidence motion against the Prime Minister. (Note: Embassy sources report that Prime Minister has asked the Maoists to delay submitting the petition in order to allow more time for negotiations.) The Maoists continue to deliberate internally whether to disrupt the CA election, to participate and use their freedom to criticize government policies from outside the cabinet or to return to the cabinet.

Terai Unrest Worsens

14. (C) The murder of Moit Khan in Kapilvastu on September 16,
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most likely by Maoists, was followed by widespread violence and mayhem in the central Terai region. USAID's Office of Transition Initiatives (OTI) contractors report that due to their strong local connections they are still able to work conducting voter education and community harmony programs, but the situation changes daily. Recent visits by Mission staff to the Terai have found a high level of awareness of the CA election along with skepticism that the security situation will improve enough to conduct the election, at least in the Terai, on November 22. The EC has taken out an insurance policy to cover all election officials.

Some Political Parties Active, Most Still Confused

15. (C) The small, leftist People's Front Nepal (PFN) which is part of the Seven-Party Alliance held a rally in Kathmandu to kick-off their campaign for the CA. The Terai based Nepal Sadbhavana Party-Ananda Devi (NSP-A), which unified four months ago, has split back into two factions. It is unclear whether the EC will recognize the faction led by Minister Mahato or the faction led by Ananda Devi, who is the widow of the party's founding president since the Ananda Devi faction has a majority of the central committee members. The Nepali Congress Party (NC) opened their policy making committee (Mahasimiti) on September 23rd. It is scheduled to end September 24. Its main purpose is for the larger policy making committee to endorse the recommendation of the central working committee that the NC's campaign platform call for Nepal to become a republic. The meeting may be extended to endorse unification with the Nepali Congress-Democratic (NC-D), which is preparing for its own policy making committee meeting September 25-26.

Code of Conduct Going Into Effect

16. (U) On September 18, the Election Commission implemented

the Election Code of Conduct for government agencies and their employees. The Code of Conduct contains a set of rules to be followed by the political parties and candidates, individuals related to parties, private and public media, government and non-government agencies and their employees, and election officials. For political parties and candidates the code lays out appropriate campaign conduct, their obligations, rules regarding the use of various means of transport, and aims to prevent undue influence and obstruction. Another chapter covers the conduct of members of the GON and government employees. The media is directed to present true, impartial, and balanced reporting. They have a duty to make corrections and to provide free air time to parties taking part in the proportional election in proportion to the total candidates fielded by the party. Government media should be neutral and educate voters. Election publicity is banned 48 hours prior to polling day. A ceiling on election expenses was set and candidates and parties must report their expenses. All of these provisions will be monitored by the EC though parties, candidates, or any individual may submit violations. Violations of the code can lead to fines up to USD 1500, cancellation of candidacy, or personnel action for officials.

Positive Movement on Logistics, Training and Support Centers

17. (C) The EC, with funding from USAID, has completed training of Returning Officers, who oversee the election process in each first-past-the-post constituency. Training for voter education has also been completed and the volunteers will now begin visiting each village development committee throughout the country. FM radio stations and four TV stations have begun to broadcast public service announcements about voting procedures and the election. Ballot boxes have been distributed to all districts. Two of the ballot printing machines have arrived in Kathmandu and some progress has been made with ballot design. The Electoral Observer Resource Center and Joint Elections Operations Center are beginning to get going.

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Comment

18. (C) What to offer the Maoists to keep them engaged in the election and peace process will be the key agenda item for many political meetings in Kathmandu this week. In addition to adopting a pro-republic campaign platform, Post expects the NC to support having the Interim Parliament pass a resolution endorsing the move, signaling the near-certain end of Nepal's two century-old monarchy. Local rumors indicate Sher Bahadur Deuba, leader of the Nepali Congress-Democratic (ND-D) frustrated by the delay in unification between NC and NC-D has also been in talks with the Communist Party of Nepal (United Marxist Leninist) and Maoists to oust Koirala. Earlier this week rejectionist factions of the Madheshi People's Rights Forum (MPRF) and Nepal Federation of Indigenous Nationalities (NEFIN) announced the formation of an alliance which could cause difficulties for both Prime Minister Koirala and the Maoists. All potential deals face time pressure as the deadline for submitting party lists for the proportional representation part of the election is September 30.

POWELL